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South Africa, Republic of

Planting Seeds

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Approved by:

Rachel Bickford
U.S. Embassy

Prepared by:

Patricia Mabiletsa

Report Highlights:

In 2004/5, South Africa's hybrid seed production for major field crops (maize, sorghum, groundnuts, sunflower and soybeans) is expected to total 68,150 MT. At an expected local demand of 34,250 MT, a surplus of about 33,900 MT for hybrid field crop seed is possible in 2004/5. A surplus expected is mainly for hybrid maize (25,000 MT), sorghum (750 MT), Soybeans (6,650 MT) and sunflower (1,500 MT) seeds. Experts are predicting shortages of groundnuts because of drought in some areas. SANSOR is encouraging the government to rephrase the quality regulations for imported grains, and to increase the kernel size, thereby eliminating undesirable small kernels.

Includes PSD Changes: No
Includes Trade Matrix: No
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Executive Summary

In 2004/5, South Africa's hybrid seed production for major field crops (maize, sorghum, groundnuts, sunflower and soybeans) is expected to total 68,150 MT. Seed production is expected to reach about 41,700 MT for hybrid maize, 6,000 MT for groundnuts, 1,450 MT for sorghum, 11,000 MT for soybeans, and 8,000 MT for sunflower. At an expected local demand of 34,250 MT, a surplus of hybrid field crop seeds of about 33,900 MT is possible. The expected surplus is mainly for hybrid maize (25,000 MT), sorghum (750 MT), Soybeans (6,650 MT) and sunflower (1,500 MT) seeds. Experts are predicting shortages of groundnuts because of drought in some areas.

In 2004/5, total local consumption is expected at about 74,500 MT for all agronomic seed crop and 16,080 MT for all forage crops.

South Africa's total exports are expected to reach about 19,800 MT for all agronomic seeds and about 775 MT for all forage crops.

Average Monthly Exchange Rate used = 1 U.S. \$ = R6.70 (July)

AGRONOMY

South Africa's 2004/5 seed crop is expected to total 41,700 MT for maize, sorghum, soybeans, groundnuts and sunflower because of improved weather conditions.

The seed industry required the seed companies to release detailed seed sale statistics to clients and stakeholders. This move is expected to bring more accuracy to the industry seed data bank.

In 2004, the South African seed growers suffered from drought in all summer and winter rainfall regions, low commodity prices due to the strengthening of the Rand compared to the Dollar, and high levels of carry-over stocks. In reaction to the poor growing season, SANSOR encouraged the government to rephrase the quality regulations for imported grains, by increasing the kernel size thereby eliminating the use of undesirable small-sized kernels. In the same year, the industry published a list of undesired white maize seeds varieties because the millers were dissatisfied about working with small seed varieties. However, Grain South Africa suggested that the matter should be handled with caution and to remove only seriously low quality varieties from the milling industry.

HORTICULTURE

Note: Estimated horticultural statistics is still not available for 2004/5. The report will be updated as soon as it becomes available.

FORAGES

Local demand for lucerne seed is expected to reach about 490 MT in 2004/5. The Lucerne Seed Organization adopted a new name, the National Lucerne Organization (NLO), following the introduction of statutory measures that also enables the NLO to collect information on seed sales and register all producers of hay and seed. The national trials for Lucerne seed will be conducted at Elsenburg, Upington, and Hartswater.

ProductionPlanting Season: Start 1st March – End 28th February next year.

Crop	RSA Seed Production 2004/2005 (Tons)			National Seed Demand 2005 (Tons)			Remarks
	Certified / QDS Seed Available	Hectares that can be planted	Farmer Saved Seed (Mt)	Hectares expected to be planted	Certified/QDS Seed (Mt)	Farmer Saved Seed (Mt)	
Maize (Hybrid)	41,700	5,000,000	0	2,000,000	16,700	0	25,000 MT surplus
Groundnuts	6,000	100,000	0	100,000 +	6,000	0	May result in a shortage
Sorghum (Hybrid)	1,450	208,000	0	100,000	700	0	750 MT surplus
Soybeans	11,000	150,000	6,525	145,000	4,350	6,525	6,650 MT surplus
Sunflower (Hybrid)	8,000	800,000	0	650,000	6,500	0	1,500 MT surplus
Total seeds	68,150	6,258,000	6,525	2,995,000	34,250	6,525	33,900

Source: SANSOR (In 2004, US \$1 = R6.42)

Plant Health Regulations

No updates on this issue. The report will be updated as soon as information becomes available.

Seed Certification

No updates on this issue. The report will be updated as soon as information becomes available.

Intellectual Property Rights (Plant Variety Protection/Plant Patents)

No updates on this issue. The report will be updated as soon as information becomes available.

Variety Approval

No updates on the issue. The report will be updated as soon as information becomes available.

Genetically Modified Organisms (GMO)/biotechnology

SANSOR reports that no consensus had been reached after four years of deliberation on the labeling of agricultural products and processed foods derived from genetically modified organisms under the Codex Alimentarius. As a result, local initiative is carried out under the auspices of Agricultural Product Standards and Foodstuffs, Cosmetics, & Disinfectants legislation led by the Food Labelling Advisory Group (FLAG).

South African Government Notice, No. R.366, released a draft proposal of Regulations under the Foodstuffs, Cosmetics & Disinfectants Act, 1972 (Act No. 54 of 1972) on the labeling of agricultural products and foodstuffs derived from genetically modified organisms since 2001. These regulations provided for compulsory labeling in cases of significant differences encountered on the GMO-derived products with regard to composition, nutritional value, mode of storage, mode of preparation, and mode of cooking. Other specific regulations stipulated were for allergens causing hypersensitivity and genes of human or animal origin.

Voluntary labeling is allowed for negative claims, for non- GM, which is subject to verification by an independent body, identity preservation and a tolerance level of 1%. Positive claims for GM products are also voluntary and must be substantiated by an independent body.

SANSOR reports that in mid-1990, South Africa had about 110 biotechnology groups in research and development involving 160 projects, and over 200 permits for crop field trials were granted for Lucerne, cotton, maize, eucalyptus, apple, canola, soybean, potato, sugarbeet, sugarcane, and arabidopsis. In 1997, the first permit for conditional commercial release was granted for Bt insect resistant cotton. In 1998, BT insect resistant yellow maize was released, followed by Bt insect resistant white maize and herbicide tolerant cotton.

Consumption Agronomic seeds

S.A. Seed Market for Agronomic Crops 2004/2005		
	MT	US \$
Crop	Locally Sold	Total Market value Both local & exports US \$ million
Barley	4,637.09	1.91
Cotton	7.81	2.81
Dry bean	1,677.07	4.47
Dry pea	71.00	0.15
Grain Sorghum	766.50	3.56
Groundnut	1,640.05	2.06
Kidney bean	926.00	2.58
Maize	32,560.01	198.58
Oil seed rape	199.20	0.81
Soya bean	3,635.40	4.72
Sunflower	1,567.85	10.33
Tobacco	0.03	0.06

Wheat	26,866.85	18.50
Other	10.50	1.14
Total	74,566.18	251.68

Source: SANSOR

In 2004/5, total local consumption for all agronomic seed crop is expected at about 74, 500 MT.

Forage seeds

South Africa's Seed Market for Forage Crops 2004/2005		
Crop	Locally Sold MT	Total Market Value- For Local and exports (US \$ million)
Babala	496.96	0.39
Blue Buffalo Grass	21.10	0.19
Bottle Brush Grass	10.98	0.06
Clover (annual)	90.77	0.39
Clover (Perennial)	32.48	0.21
Cocksfoot	10.47	0.01
Cowpea (Forage)	267.38	0.41
Cynodon	52.38	0.86
Faba bean	18.27	0.01
Fodder beet	4.18	0.03
Fodder radish	202.12	0.78
Forage sorghum (annual)	3,035.33	3.20
Forage sorghum (perennial)	141.25	0.34
Kikuyu	15.80	0.60
Lucerne	494.28	3.28
Lupin	362.00	0.14
Oats	5,159.94	2.48
Phalaris	2.00	0.01
Rape	15.56	0.10
Rhodes grass	30.81	0.21
Rye (Ordinary)	398.10	0.24
Rye (stooling)	339.90	0.26
Ryegrass (annual)	910.65	1.57
Ryegrass (perennial)	488.31	1.52
Serradella	140.12	0.20
Smuts finger grass	74.33	0.32
Tall fescue	45.40	0.20
Teff	504.35	0.44
Triticale	2,102.70	0.77
Weeping love grass	163.16	1.07
White buffalo grass	21.99	0.22
Other forage/pasture crops	431.81	2.06
Total	16,085.66	22.57

Source: SANSOR

South Africa's total local consumption for all forage seed crop is expected at about 16,080 MT in 2004/5.

Trade

South Africa's seed industry is currently dealing with SPS issues from Brazil, especially for seed borne pest risks for beetroot. In February 2004, SANSOR was notified that the Brazilian cabinet rejected their first draft of an amended plant risk analysis protocol.

IMPORTS: PLANTING SEEDS

South Africa's Import of seeds			
HTS CODE	DESCRIPTION	2003 (MT)	2004 (MT)
120925	Rye Grass seed	763.3	1,942.7
120929	Other seeds of forage plants	763.2	1,153.2
120991	Vegetable seeds	391.9	524.9
120921	Lucerne (Alfalfa) seeds	372.3	396.3
120999	Other seeds	274.3	228.7
120922	Clover seed	81.8	65.9
120923	Fescue seed	113.8	57.0
120930	Seed of herbaceous plants	9.5	29.2
120924	Kentucky Blue Grass seeds	5.4	4.2
120910	Sugar Beet Seeds	2.3	1.9
120919	Beet Seed, not sugar	1.5	1.5
TOTAL	All seeds listed	2,809.3	4,405.5

Source: WTA

South African seeds imports were dominated by Rye grass, followed by other seeds of forage plants, vegetables and Lucerne in 2004.

The United States is one of the main South African seed suppliers for Rye grass, other forage plants, vegetables, Lucerne, other seeds, Fescue grass, Clover, herbaceous plants, Kentucky blue grass, sugar Beet, and non-sugar Beet. In 2004, South Africa's seed imports from the U.S. reached about 170 MT, and amounted to US \$ 6.9 million. This is an increase of 19% in volume and US\$ 2 million in value, from 2003.

Australia followed, taking over market share from the Netherlands in 2004. Australian seed imports in South Africa totaled at 913 MT and valued at US\$ 2.856 million in 2004, mainly for seeds of other forage plants, Lucerne, Other seeds, Clover, Vegetables and Fescue grass. This is an increase of 7% in volume and 20% in value from 2003.

The Netherlands ranked 3rd within South Africa's seed import markets in 2004, despite import volume increases of 69% from 2003, mainly for seeds for Rye grass, Vegetables, Other seeds, Herbaceous plants, other forages, and Fescue grass. Imports amounted to US\$ 5.3 million, an increase of 33% from 2003.

Exchange Rate Used: For 2003: US\$1 = R7.56; For 2004: US\$1 = R6.42

EXPORTS

South Africa's Exports of seeds			
HTS CODE	DESCRIPTION	2003 (MT)	2004 (MT)
120999	Other seeds	3,956.5	5,001.8
120991	Vegetable seeds	778.3	1,009.3
120929	Other seeds of forage plants	300.8	198.5
120930	Seed of herbaceous plants	6.6	15.3
120919	Beet Seed, not sugar	0.3	6.8
120925	Rye Grass seed	60.5	5.5
120921	Lucerne (Alfalfa) seeds	596.2	2.4
120926	Timothy Grass seeds	0.7	0.3
120910	Sugar beet seeds	0	0.1
TOTAL	All seeds listed	5,699.9	6,240.0

Source: WTA

South Africa exports seeds mainly to the neighboring African states, namely: Malawi, Angola, Zimbabwe, Zambia, Mozambique, with a fair amount reaching Saudi Arabia, U.S., Japan, U. A. Emirates, Canada and Netherlands. The major seed exports are Timothy grass, Herbaceous Plants, Rye grass, Lucerne, vegetables, other forage plants, beet seed-not sugar, and others.

In 2004, The U.S. received about 190 MT of South Africa's seeds for other plant species, vegetables, Lucerne, Rye grass and Timothy grass, which is a 19% increase from 2003.

Tariff Table
(No changes from last year)

HTS CODE	DESCRIPTION	STD DUTY FORMULA	PERMIT REQ	EXEMPT VAT
120100	Soyabeans	8%/Ad Valorem	Free	No
120210	G.nuts(in shell)	10%/Ad Valorem	Free	No
120220	G.nuts(shelled)	10%/Ad Valorem	Free	Yes
120400	Linseed	9.4%/Ad Valorem	Free	No
120600	Sunflower seed	9.4%/Ad Valorem	Free	No
120710	Palm nuts & Kernels	7.4%/Ad Valorem	Free	No
120720	Cotton seeds	9.4%/Ad Valorem	Free	No
120760	Safflower seeds	9.4%/Ad Valorem	Free	No
120919	Beet seeds: Other	Free	Free	-
120921	Lucerne seed	Free	Free	-
120926	Timothy grass seed	Free	Free	-
120925	Rye grass seed	Free	Free	-
120924	Kentucky blue grass seed	Free	Free	-
120923	Fescue seeds	Free	Free	-
120929	Seed of forage plants, other than beet seeds: other	Free	Free	-
120991	Vegetable seeds	Free	Free	-
12099910	Other sowing seeds: Other	Free	Free	-
12099990	Other seeds, fruits & spores: Other	Free	Free	-
100510	Maize(Corn) seed	Free	Free	-

100300	Barley	Free	Free	-
100110	Durum Wheat	Free	Free	No
100400	Oats	Free	Free	No
100700	Grain Sorghum	3%/Ad Valorem	Free	No

Source: South African Customs Tariffs Book

Note: The seed HTS is 1209, the rest are grains and oilseeds (for consumption) included herein for your interest.

IMPORT PROCEDURE FOR PLANTING SEEDS TO SOUTH AFRICA

The hybrid must be listed in the National variety list.

The importer must adhere to the pest control regulations according to the Agricultural Pest Act (Act no. 36 of 1983), and import conditions as published in the Government Gazette of South Africa.

The importer should apply for the import permit, at a cost of about US\$ 10.

The importer should apply for the phytosanitary certificate, and the application should be accompanied by the import permit or official import requirements of the importing country.

Importing for commercial purposes, the importer or the local source should supply the National Plant Protection Organization of South Africa with extensive information on the sources for the standard genes. The pest risk analysis should be made with possible pre-import inspection and registration of open/outside quarantine facilities.

The consignment should be delivered within 14 days of the final inspection and should be accompanied by a phytosanitary certificate.

For further information about the import control regulations and to access the on-line applications, please visit the National Plant Protection Organization of South African division within the National Department of Agricultural. Their website is: <http://www.nda.agric.za> or you can access it through <http://www.gov.za>